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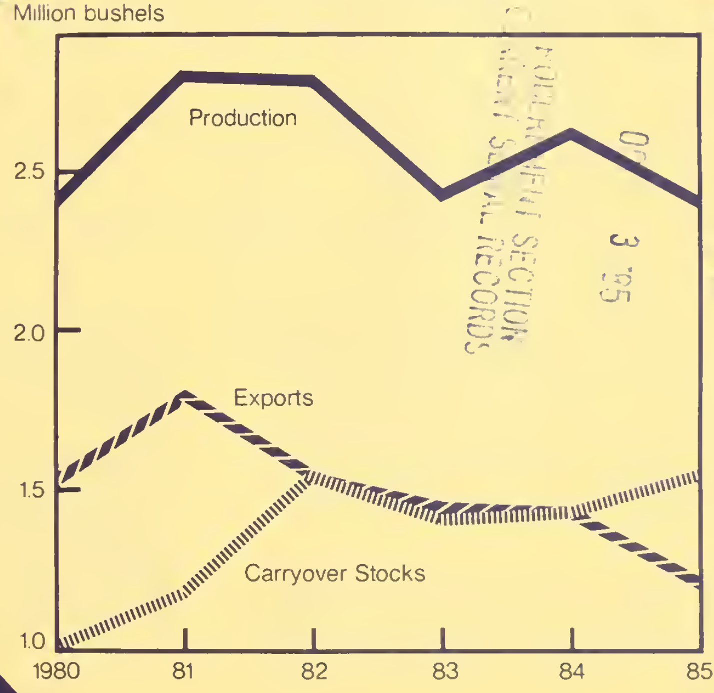
Wheat

Outlook and Situation Report

U.S. Wheat Production, Exports, and Carryover Stocks



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Declining exports push
up stocks.

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SUMMARY

A speedy harvest of the 1985 U.S. winter wheat crop and rapid spring wheat development will soon bring to market the smallest wheat crop in 6 years. The outlook for 1985/86 calls for slightly smaller supplies, reduced domestic demand, the smallest export volume in 7 years, and the lowest farm prices since 1978. When the season ends next May 31, U.S. wheat stocks are projected to climb to 1.5 billion bushels, just shy of the 1983 record.

Harvested area of breadmaking wheats (Hard Red Winter and Hard Red Spring) was up 6 percent from 1984, reflecting a lower idled acreage requirement in the 1985 acreage reduction program. Adverse weather cut back planting of cookie, cracker, and pastry wheats (Soft Red and White). A slightly smaller pasta wheat crop (Durum) also comes from reduced harvested area. In total, 65 million acres of wheat will be combined, producing about 2.38 billion bushels. The reduced output will lower the 1985/86 supply only 5 percent from last season's record 4 billion bushels. Since prospects are dim for using the entire 1985 crop, yearend stocks will continue to build.

This season's large supply and reduced demand resulted in a July average farm price of $2.95 a bushel, the lowest since the 1978 harvest. Prices below the $3.30-a-bushel loan rate induced eligible producers to place a record volume of wheat under loan with the Commodity Credit Corporation. For this marketing year, the farm price will average below 1984/85's $3.38 a bushel, likely ranging from $3.05 to $3.25.

Banner world wheat production projected for 1985/86 points to a drop in global trade from last season's record 106 million tons. Following a poor 1984 harvest, wheat output is expected to rebound in the Soviet Union, the world's largest buyer. Reduced Soviet import needs and large world supplies will tend to sustain intense competition among exporting nations. Early season exports by the United States are extremely slow, suggesting a 16-percent decline in shipments from 1984/85. To make the United States more competitive in world markets, USDA initiated a $2-billion, 3-year Export Enhancement Program whereby bonus quantities of U.S. grains are offered to buyers in specific markets. Algeria and Egypt were the first designated markets for wheat.

Although early season wheat prices are below a year earlier, the record feeding of wheat in 1984/85 is not expected to be repeated this season. The 1985 harvest of Soft Red Winter wheat, the class most favored by poultry producers, was down sharply. Total wheat used in feed could be down 15 percent from the 412 million bushels fed in 1984/85.

As planting time for the 1986 winter wheat crop approaches, farmers face uncertainty as to how their sowing decisions will mesh with yet unknown farm program criteria. Significant 1985 farm bill changes in price support levels, stocks management policies, and program expenditure levels will have an important bearing on the 1986/87 wheat market outlook.

OUTLOOK FOR 1985/86

Reduced Acreage And Yield Lowers 1985 Wheat Harvest

Favorable moisture conditions throughout the Great Plains wheat belt were enough to overcome reduced seeding of Hard Red Winter (HRW) wheat, the Nation's leading breadmaking ingredient. While compliance in the 1985 acreage reduction program was greater than in 1984, the set-aside requirement of 30 percent of base acreage was less; therefore slightly more HRW acreage was harvested this year (see Wheat By Class Section). Yet, coupled with increased acreage, good growing and harvesting conditions produced 1,243 million bushels, fractionally down from 1984's record output.

The soft varieties of winter wheat did not fare as well from the weather. In Soft Red wheat regions of the East, flooding conditions prevented large areas from being planted, while dry soils reduced seeding of White wheat in the Pacific Northwest. As a result, 1985 production of White and Red Soft winter wheats, the cookie, cracker, and pastry wheats, is estimated at 230 and 370 million bushels respectively, the smallest harvests since 1979. Because of the unplanted wheat acreage, over half the producers enrolled in the 1985 program used the idled fields as their acreage conservation reserve requirement (ACR).

One of the earlier winter wheat harvests in years reaped a total 1.84 billion bushels from 48.1 million acres. However, poor yields in soft wheat areas more than offset high yields in the hard wheat belt, resulting in an average yield of 38.3 bushels per acre, down about 2 bushels from last year, and 3.5 bushels below the 1983 record of 41.8.

U.S. winter wheat acreage, yield, and production 1980-85

Year	Area		Yield per acre	Pro-duction
	Planted	Harvested		
	Million acres		Bushels	Million bushels
1980	57.8	51.6	36.8	1,902.0
1981	65.5	58.5	35.9	2,097.1
1982	65.5	57.6	36.0	2,073.6
1983	62.1	47.6	41.8	1,988.3
1984	63.4	51.5	40.0	2,060.6
1985 1/	58.1	48.1	38.3	1,842.9

1/ Preliminary.

While the winter wheat crop was developing in the Southern Plains, wheat growers began seeding 1985 spring wheats in the Northern Plains. Acreage planted to Durum, at 3.1 million acres, was down 4 percent from a year ago. A 16-percent increase in seedings of other spring wheat partly reflects the replanting of some winter wheat acreage that did not survive the winter. The increased acreage also reflects growers' decisions to return to production some of the fields left idle under 1984 program compliance. The 1985 Durum harvest is forecast at 98 million bushels, down 5 million from 1984. As of August 1, total spring wheat other than Durum was estimated at 436 million bushels.

Old-Crop Stocks on the Rise Again

Stocks of old-crop wheat on June 1, 1985, totaled 1.42 billion bushels, compared with 1.40 a year earlier. A major effort to reduce 1983 wheat production, through an intensive acreage reduction program that included a payment-in-kind (PIK) feature, resulted in a drawdown of June 1, 1984, carryover stocks. But then a banner 1984 crop, combined with only a small increase in 1984/85 demand, began another phase of increasing wheat stocks. All of the rise in June 1, 1985, stocks focused on Hard Red Spring wheat, up 19 percent from a year earlier, and Soft White wheat, up 4 percent to a new high. Hard Red and Soft Red winter wheat inventories declined while Durum was about unchanged.

A significant decline was noted in the readily marketable status of these carryover supplies compared with the season before. On June 1, 1985, 73 of every 100 bushels were isolated from the market because the grain was obligated to the farmer-owned-reserve (FOR) or owned by the Commodity Credit Corporation (CCC). The FOR wheat cannot be released for sale on the commercial market until farm prices are about $4.50 a bushel, an unlikely event in the near future, and the CCC resale price is above $5 a bushel. The other 27 bushels can be considered readily marketable, although nearly half were under nonrecourse loan obligations. To sell that loan grain, a

U.S. spring wheat acreage,
yield, production 1980-85 1/

Year	Area		Yield per acre	Pro- duction
	Planted	Harvested		
	Million acres		Bushels	Million bushels
1980	23.0	19.5	24.6	478.9
1981	22.7	22.2	31.0	688.3
1982	20.7	20.3	34.0	691.4
1983	14.3	13.8	31.3	431.5
1984	15.8	15.4	34.7	534.9
1985 2/	17.7	16.5	32.3	533.6

1/ Includes Durum. 2/ Forecast.

grower generally needs a market price that will justify paying off the loan plus accured interest, totaling approximately $3.55 a bushel. Thus, if the going price remains below the loan redemption value, the grain will eventually be forfeited to the CCC or may be placed in the FOR.

The 1985/86 marketing year began with all of 1985's production and only a small fraction of old-crop wheat available for sale--or about 2.6 billion bushels, out of the actual indicated supply of 3.8 billion. With the season's disappearance projected at around 2.3 billion bushels, supplies could tighten considerably as the year progresses. This is especially true considering the heavy pace of early season loan placements as a result of harvest prices being below the loan rate.

Moderate Decline in Domestic Use

The year's wheat food use is projected at about 660 million bushels, influenced by expanding population and a likely continuation of the high-fiber dietary promotion. Early season consumption of wheat in livestock rations is forecast at a lower volume from last year's record. Although new-crop wheat in major cattle producing areas was priced attractively during the harvest, growers' expanded use of the loan program will reduce some available wheat supplies and cause feedlots to use price-competitive feed grains. Poultry production, mainly concentrated in soft red wheat areas, will face sharply lower available wheat supplies because of the reduced 1985 crop. Meanwhile, expected large corn and sorghum crops will lead to their prevalent use in feed rations. Wheat feeding could be off 15 percent or more from 412 million bushels in 1984/85.

Lowest Exports in Seven Seasons Expected

The high-valued dollar, which has stymied exports of U.S. grains for the last two seasons, has been trending downward for the past 4 months. But so far, it is difficult to pinpoint any positive response in U.S. wheat sales overseas as U.S. prices are still noncompetitive. Nearly a fourth of the 1985/86 market season has passed and total export commitments (outstanding sales plus shipments) are only half the volume of a year ago. Major buyers are falling short of last year's purchasing pace. Prospective large crops in the Soviet Union and China and other importing countries are limiting their purchases. Typical expanded buying patterns during the wheat harvest glut more often reflect the reasonable certainty that price levels would be at their low. However, during times of surplus stocks, deferred purchases by major buyers often mean further price lows, and most customers feel secure buying on a "as needed" basis, hoping to get more for their money.

USDA initiated an Export Enhancement Program as the 1985/86 wheat marketing year began in June. It involves using $2 billion of CCC inventories over 3 years as payment for export sales generated in specified world markets. The first offer included wheat sales to Algeria, followed by both wheat and wheat flour to Egypt. As of mid-August, Egypt issued a tender calling for offers from U.S. exporters for 150,000 metric tons of wheat flour, the first tender under this program. The effect of this program will be determined over the next 3 years. Nevertheless, competitor nations are likely to emphasize maintaining their market share, even in a somewhat reduced 1985/86 market. For the season, U.S. wheat exports are forecast at 1.2 billion bushels, down 16 percent from a year ago and the smallest in 7 years.

Farm Prices Below $3

Not since the 1978/79 marketing year have early season wheat prices on the farm averaged below $3 a bushel. Farm prices in July averaged $2.95. The difference between this year and that season is that prices were on their way up after beginning as low as $2

Wheat exports and prices

Year	Exports	Farm prices	Loan rate
	Million bushels	$/bushel	
1978/79	1,194	2.97	2.35
1979/80	1,375	3.78	2.50
1980/81	1,514	3.91	3.00
1981/82	1,771	3.65	3.20
1982/83	1,509	3.55	3.55
1983/84	1,429	3.53	3.65
1984/85	1,424	3.38	3.30
1985/86 1/	1,200	3.05-3.25	3.30

1/ Forecast.

per bushel in 1977/78. The 1978/79 market was supported by heavy export sales, strong loan activity, some delays in harvesting and the beginning of a famer-owned-grain-reserve loan program. Readily marketable (including stocks under loan) supplies represented 99 percent of total stocks. Early season prices were 50 cents above the $2.35-a-bushel loan rate.

In contrast, current farm prices are on a 5-year downtrend from a high in 1980/81. This situation reflects sluggish export activity early in the season. At the same time, nearly three-fourths of old-crop stocks are locked off the market in the FOR and CCC inventory. Combined with the heavy harvesttime use of the loan program, supplies will likely tighten. Yet, prices are 30 cents or more below the loan rate. Total export volume for both of these two distinct seasons will be almost equal. However, while exports represented 40 percent of 1978/79 supplies, they represent less than a third of this season's supply. This comparision illustrates the importance of export activity in establishing a season's prices.

Lending support to the prospect that prices could strengthen as the season progresses is producers' reluctance to sell at low market prices and their accelerating use of the CCC loan. As of August 14, 1985, loan placements of 316 million bushels were over 4 times larger than a year ago. When the harvest months pass, market prices will need to escalate to compensate producers for overhead costs on the loan wheat (interest) to induce loan redemption. Otherwise, the grain will be forfeited to the CCC or, if authorized, placed in the FOR. However, tightening supplies could strengthen prices and further reduce competitiveness of U.S. wheat. All in all, 1985/86 wheat prices will be influenced by a near-record 1985 world crop and record stocks. The season average U.S. farm price is expected to fall between $3.05 and $3.25, compared with last season's $3.38 a bushel.

1986 Wheat Program Yet To Be Determined

Shortly after winter wheat growers make the cleanup pass with their combines, their attention turns to decisions concerning the next crop. Nearly half the winter wheat acreage is normally sown by the end of September. For the 1986 crop, producers will be faced with the uncertainity of how their decisions will mesh with unknown Government farm program criteria. The 1985 farm bill, which determines the final provisions under which the 1986 crop can be planted, has yet to be passed. At this time, growers can only delay seeding as long as their geographic location permits, hoping for program announcements. Program features are important to their decisions, especially concerning an acreage reduction program. Fully planting one's acreage base could mean a costly plowdown to qualify for later program benefits. Haying and grazing are an option for some winter wheat producers. The following observations seem to prevail from the continuing farm bill debate.

- Wheat stocks in the United States are burdensome and need to be brought under control.
- Production capacity is so large that some supply control system is necessary.
- Some levels of price support and income protection are basic to keeping a viable wheat industry.
- Emphasis should be placed on accelerating export demand in the face of keen foreign competition.
- The operational cost of the farm bill needs to be carefully defined because of the size of the Federal budget deficit.

WORLD WHEAT OUTLOOK

Another Record World Wheat Harvest Expected; Trade To Decline Slightly

Good production prospects in most Northern Hemisphere wheat growing areas are expected to result in a global output just under 1984/85, following five straight record harvests. Since 1981, global wheat production has climbed an average of nearly 5 percent per year. Although a slight decline is in view for the current season, it will be the second successive output of over 500 million metric tons. Area harvested has declined from a high of 239 million hectares in 1981/82 to 232 million, implying that average yields have been on the upswing--1.88 tons per hectare in 1981/82 to 2.20 in 1985/86. Expanded use of higher yielding varieties has been particularly noticeable in Western Europe and the United States.

Expanded world wheat consumption will compensate for some of the increased output, however, not enough to prohibit further accumulation of stocks. More than half of these surpluses will be stored in the United States and the European Community (EC) alone. Large supplies suggest another marketing year of aggressive merchandising by exporters to maintain or expand their share of a weakening market.

Outlook for Major Importers

The largest wheat harvest in 3 years appears to be materializing in the Soviet Union. Output is projected to rise to around 83 million tons, 10 million more than a year ago. As a result, wheat imports may decline 7 million tons from last year's record 27 million.

Because of a reduction in planted area and adverse weather, China's total wheat production is expected to fall just short of matching the record 1984 harvest, which established China as the largest world wheat producer. The decline came mostly in winter wheat areas; spring wheat should equal last year. Imports may follow the decline of the last 4 years.

India, with another record harvest, has encountered a problem with inadequate storage space and is encouraging exports. Although expanded wheat acreage in Poland is expected to reap a record harvest, production in other Eastern European nations will require high imports this season. Production in the EC will be off from the 1984 record. However, the need to import high-protein wheats from North American sources may rise, due to expectations that the 1985 crop will return to a more normal quality. North African output is likely to rise slightly above a year ago, but imported food grain requirements are likely high. In Latin America, imports could decline about 10 percent from a year ago, with most of the drop coming from Brazil. Brazilian 1985 production is forecast 16 percent larger while consumption is expected to level off.

Outlook for Major Exporters

Significant 1985 production declines in both the United States and the EC will contribute to somewhat lower new-crop supplies of major world wheat traders during the 1985/86 maketing year. Yet this may be of small concern to international merchandising activity because carryover stocks have risen to an alltime high during the last 5 years. Also, the forecast of a 9-percent decline in demand from world importers implies that exporting nations will have more than sufficient supplies to meet demand. Production in Argentina, Australia, and Canada is forecast at 52 million metric tons, down 2 percent from a year ago. Early crop forecasts for the Southern Hemisphere nations are down, although planting and soil moisture conditions improved during July. The early season forecast for the Canadian 1985 crop was at a record high, but drying conditions during the summer reduced prospects. Nevertheless, a Canadian harvest near 10 percent larger than 1984's is projected. Collectively, 1985/86 exports by these countries are forecast at 39.4 million tons, 6 percent lower than last season. For the United States, a competitive wheat trade pricing situation, influenced by the still relatively high price of the U.S. dollar, will reduce the export level to the lowest in 7 years.

WHEAT BY CLASS

Near-Record HRW Harvest Completed

Based on conditions as of August 1, a Hard Red Winter (HRW) wheat harvest of 1.24 billion bushels is close to being garnered, less than 1 percent smaller than 1984's record. Good spring weather conditions spurred plant development and accelerated the harvest considerably ahead of the normal pace. Although the area planted to the 1985 crop was down fractionally, growers who enrolled in the acreage reduction program were required to idle only 30 percent of their base, compared with as much as 50 percent in 1984. As a result, 1985's reported area harvested was up about one-half million acres. This lifted 1985 HRW production to record or near-record levels in major Great Plains States. The average yield per acre dropped to 36 bushels as dry spring conditions and increased winterkill resulted in a heavy abandonment of winter wheat acreage in the more northerly producing States.

Below-average protein levels and test weights were prevalent throughout the early harvest but improved as combining moved north. The extra large harvest dissipates concern by domestic mills about adequate stocks of desired protein levels for quality breadmaking flour. Overall baking quality of the 1985 crop is very much equal to the 1984 crop. Low prices at harvest will make lower protein and test weight wheat stocks attractive to livestock feeding operations.

Nevertheless, the 1985/86 demand for HRW will focus on the all-important export market, especially purchases by the Soviet Union--the largest market for U.S. HRW. Forty percent of 1984/85's HRW exports went to the USSR--a reflection of the Soviets' poor 1984 harvest. Expectations of an improved 1985 Soviet wheat harvest suggest reduced exports. The Soviets have not bought U.S. wheat since February and still have 1.1 million tons remaining to be purchased to meet the long-term trade agreement. As a result, the initial forecast of U.S. HRW exports for 1985/86 is around 620 million bushels, nearly 100 million bushels lower than a year ago.

Early season prices for ordinary HRW at Kansas City, the terminal market, were more than 10 percent below last year, with some July prices more than 10 cents a bushel under the $3.30-a-bushel national average farm loan value. Under this situation, eligible farmers put large amounts of 1985 wheat under the CCC loan--nearly 10 times more than the same period in 1984. This leads to the prospect that large old-crop HRW supplies locked off the market in the FOR and owned by the CCC coupled with a large volume under loan, could tighten supplies and lift prices when foreign buying revives to estimated levels.

Estimated Hard Red Winter wheat acreage, yield, and production, 1979-85

Year	Area		Yield	Pro-
	Planted	Harvested	per acre	duction
	Million acres		Bushels	Million bushels
1979	38.2	31.3	34.9	1,091.6
1980	40.7	35.8	33.0	1,181.3
1981	43.4	37.9	29.3	1,112.1
1982	43.2	37.0	33.6	1,243.6
1983	41.3	30.2	39.5	1,197.8
1984	43.6	34.1	36.7	1,250.5
1985 1/	42.9	34.5	36.0	1,242.9

1/ Projected.

Potential Buildup of HRS Stocks

While nearly 90 percent of the wheat base acreage in northern Hard Red Spring (HRS) wheat growing areas was enrolled in the 1985 acreage reduction program, the estimated acreage planted was up 2 million acres from 1984--a reflection of the reduced conservation acreage requirement in the 1985 program provisions. Also adding to HRS acres was significant reseeding of winter wheat fields that succumbed to winterkill and spring dryness. Extreme dry conditions in western areas of the spring wheat belt lowered 1985 HRS average yields more than 3 bushels an acre from 1984's record 35 bushels. Still, good yields in the eastern portion of the belt will keep HRS yields slightly above the average of the past 5 years. Thus an expected harvest of 410 million bushels, about on par with 1984's, will result in 1985/86 HRS supplies rising to near 800 million bushels (table 3).

With abundant world wheat stocks and production expected to continue in the 1985/86 season, this season's outlook for U.S. HRS depends heavily upon maintaining traditional major overseas markets, such as Japan, the Philippines, Korea, and the EC countries, as well as Latin America. Because of the higher protein characteristic of this wheat class, demand is influenced by the level of protein in the world's wheat production. Also important for the United States is the quantity and quality of the Canadian wheat crop, as it is the principal exporter of this wheat type. Last season's drought-reduced output is forecast to recover, leaving the prospect of continuing competition this year.

Estimated Hard Red spring wheat acreage, yield, and production, 1979-85

Year	Area		Yield per acre	Production
	Planted	Harvested		
	Million acres		Bushels	Million bushels
1979	14.2	14.0	26.3	368.8
1980	16.3	13.6	22.9	311.4
1981	16.1	15.8	29.4	463.8
1982	15.5	15.2	32.4	492.6
1983	11.1	10.7	30.2	322.7
1984	11.9	11.6	35.0	409.0
1985 1/	13.9	12.9	31.8	410.2

1/ Projected.

Considering an expected reduced wheat harvest in Western Europe, Canada and the United States may share in some increased exports of higher quality wheats to that market. Although slightly below a year ago, this season's HRS export business is currently much more active relative to other wheat classes.

Domestic blending of high-protein HRS with other wheats to increase quality may add to 1985/86's disappearance, but yearend stocks could rise to over 420 million bushels, topping the record 408 million that occurred after 1982's record crop.

Smaller 1985 Durum Harvest; Demand Sluggish

The year-to-year gyrations that typify Durum production appear to be on course with expectations that 1985's crop will be smaller than a year ago--but not much. Record 1981 production began the buildup of Durum stocks that eventually led to a 1983/84 carryin that was nearly twice the size of the eventual 1983 harvest. Heavy participation in the 1983 payment-in-kind program cut the crop size, but producers upped acreage in 1984 to garner another crop of more than 100 million bushels. Facing continued large carryin stocks and a sluggish outlook for prices, Durum seeding was nearly unchanged from a year ago. For the fourth time in the last five crops, yield will be over 32 bushels an acre, up 5 bushels from crops of the late 1970's. An estimated 98 million bushels will be harvested this year. A crop this size would maintain 1985/86's supply at above 200 million bushels for the fifth successive season; whereas use averages slightly over 100 million per marketing year.

Half of U.S. Durum yearly disappearance usually goes overseas and that continues to be the forecast for the 1985/86 season. World Durum production will be down slightly from a year ago, but Canada, the largest exporter of this class, is expecting an expanded 1985 harvest. The value of the dollar, along with larger Canadian supplies, will continue to limit U.S. export expansion of this premium wheat. Shipments to the EC may rise slightly, but North African buying, normally representing over 50 percent of U.S. export volume, may drop. A projected 18-percent decline in 1985/86 U.S. Durum exports appears likely.

This lackluster outlook is already reflected in Minneapolis Durum cash prices which have slipped below $4 a bushel as the 1985/86 marketing year unfolds. Not since the record supply of 1982 have Durum market prices begun so low.

Reduced SRW Exports To Offset Smaller 1985 Production

A sharp cutback in acreage seeded to 1985's Soft Red Winter (SRW) wheat crop plunged production to the lowest level in 6 years. The current estimate of 370 million bushels is nearly 200 million below the annual average of the last 5 years. Persistent rains last fall prevented timely soybean harvesting, which in turn delayed and prevented winter wheat from being planted on that acreage. In addition, a dry spring reduced yields in the Southeast. Reports indicate that quality is good to better than average in northern

Estimated Durum acreage, yield, and production, 1979-85

Year	Area		Yield per acre	Production
	Planted	Harvested		
	Million acres		Bushels	Million bushels
1979	4.0	3.9	27.1	106.7
1980	5.5	4.8	22.4	108.4
1981	5.8	5.7	32.4	183.0
1982	4.3	4.2	34.9	145.9
1983	2.6	2.5	29.3	73.0
1984	3.3	3.2	32.1	103.4
1985 1/	3.1	3.0	32.3	97.8

1/ Projected.

Estimated Soft Red Winter wheat acreage yield, and production, 1979-85

Year	Area		Yield per acre	Pro-duction
	Planted	Harvested		
	Million acres		Bushels	Million bushels
1979	8.4	7.6	40.7	309.6
1980	11.7	10.6	41.7	441.8
1981	16.7	15.3	44.3	678.0
1982	17.2	15.8	37.3	588.9
1983	15.6	12.8	39.4	504.2
1984	14.5	12.6	42.1	531.8
1985 1/	10.5	9.2	40.2	370.0

1/ Projected.

portions of the SRW belt with heavy test weights. A slightly lower carryin of old-crop supplies will add to the crop shortfall, resulting in 1985/86 SRW supply of 434 million bushels, nearly one-third smaller than last season.

Considering that demand for U.S. SRW (domestic and foreign) has been very large for the past 5 years, averaging 540 million bushels per season, it appears that the 1985/86 season could see exceptionally high prices or that demand could subside dramatically. Most analysts foresee a drop in demand. Another large Chinese wheat harvest is expected to reduce its world wheat imports. In recent years, China has been the largest buyer of U.S. SRW. Offsetting some of this potential loss may be increased purchases from foreign markets targeted for the Export Enhancement Program.

This season's SRW exports are forecast at around 165 million bushels, down 90 million from a year ago, and the smallest since 1979/80. Smaller SRW supplies will also diminish SRW feed use, particularly if producers' heavy use of the 1985 wheat loan program props up farm prices to the loan rate or above. The initial forecast of SRW disappearance exceeding 1985 production indicates a tightening of yearend stocks, especially with larger-than-normal use of the 1985 loan program. However, midseason SRW prices may be softened by prospects for expanded plantings of the 1986 crop.

White Wheat Production Down; Supply Remains Large

A dry spring in much of the Pacific Northwest significantly reduced 1985 White wheat yields. In Washington, the initial yield estimate was 60 bushels an acre, but subsequent lack of rainfall dropped yields to 48 bushels by the beginning of the harvest. As of August 1, White winter wheat production was indicated at 230 million bushels, down 17 percent from a year ago. The total 1985 White wheat output (winter and spring) was estimated at 255 million bushels, 45 million bushels smaller.

This year's crop shortfall has helped reduce the record-high White wheat stocks that have accrued over the past three seasons. However, the season's supply will be only 40 million bushels short of last year's record and will still represent nearly 1.5 years of normal yearly disappearance.

As with most other classes, the large supply dominates the new-season outlook as season-beginning market prices are nearly 10 percent lower than a year ago. Because of the large stocks of White wheat in the FOR and CCC ownership, domestic disappearance in 1985/86 may not be nearly as strong as last season when livestock feed used some stocks. Foreign demand prospects suggest exporters will be hard pressed to equal the more than 200 million bushels shipped in each of the last 5 seasons. The key may be the degree some Asia markets use U.S. commodity export credit programs. Even India, a former top buyer of U.S. White wheat, is harvesting so

Estimated White wheat acreage, yield, and production, 1979-85 1/

Year	Area		Yield per acre	Pro-duction
	Planted	Harvested		
	Million acres		Bushels	Million bushels
1979	6.6	5.6	46.0	257.4
1980	6.6	6.3	53.7	338.0
1981	6.2	6.0	58.1	348.5
1982	6.0	5.7	51.6	294.0
1983	5.9	5.3	60.8	322.0
1984	5.8	5.3	56.7	300.7
1985 2/	5.3	4.9	52.2	255.6

1/ Winter and spring. 2/ Projected

much of its own wheat that it may supply export wheat to some Asian markets. Also important may be the impact of this year's tight SRW supply. If Soft Red prices climb above White prices, some SRW foreign demand could switch to White. With only an estimated 10 percent decrease in disappearance for 1985/86, carryover stocks are expected to remain large going into the 1986 crop year.

Wheat use

	1981/82	1982/83	1983/84	1984/85
	Percent			
Exports	67.6	62.4	56.3	55.2
Food, seed	27.3	29.5	28.9	28.8
Feed/residual	5.1	8.1	14.8	16.0
Total	100.0	100.0	100.0	100.0

WRAP-UP OF 1984/85

The 1984 acreage reduction program, which was scaled down from the 1983 program, represented another major effort to bring burdensome production and the buildup of U.S. wheat stocks under control. To enroll in the 1984 program, a producer had to idle 30 of every 100 acres of the farm's wheat base, with idled acreage going as high as 50 percent for growers who participated in the 10 to 20 percent PIK option. Producers enrolled 60 percent of their base in the program, leaving 18.5 million acres idled. In comparison, participation in the 1983 program reached 77 percent and set-aside 29.8 million acres.

A dubious weather start for the 1984 winter wheat harvest turned around by July with the result that yields averaged 40 bushels an acre, slightly under 1983's record. In addition, ideal conditions developed in spring wheat regions and resulted in record yields in many areas. On balance, 1984's total wheat crop of 2.6 billion bushels was the third largest ever. That increase in output returned to the U.S. wheat supply about half the volume that was cut the year before by the PIK and acreage reduction programs. Reduced program participation increased harvested acreage while good weather and improved varieties upped yields. The final outcome was a record wheat supply for 1984/85 of 4.0 billion bushels.

During the same year, wheat crops throughout the world were developing under good conditions into the largest harvest ever. As a result, world wheat supplies reached a new peak and a large share of these stocks were stored by major exporting nations, particularly the United States. Competition among exporters was intense, even though world trade expanded to a new high of 105.6 million tons. Prospects for a banner U.S. export year developed early in the season as another poor harvest in the Soviet Union fueled heavy buying, and large Chinese purchases produced record U.S. loadings in September 1984. As these two buyers later looked elsewhere for lower-priced wheat and other importers deferred purchases in expectation of lower prices, and the value of the dollar limited sales to other customers, U.S. wheat exports fell to their lowest level in 10 years for the April and May 1985 period. In this sluggish finish, 1984/85 U.S. wheat exports of 1.42 billion bushels held on by just barely matching 1983's volume, but halted the sharp yearly declines incurred in the 1982 and 1983 seasons.

Total disappearance for the year, at 2.58 billion bushels, fell shy of the alltime high of 2.62 billion in 1981/82. Relatively high feed grain prices lifted wheat feeding to a record volume during June-September. Still, wheat use during 1984/85 did not surpass the crop volume, so yearend stocks remained moderately below the record-high 1.5 billion bushels.

Despite the near-record utilization, the record supply was the controlling factor for wheat prices through the season. Even the early season record export pace and feed use, combined with climbing stocks in the CCC inventory and farmer-owned reserve, did little to ultimately strengthen prices. The result was a season average farm price of $3.38 a bushel, compared with a $3.30 loan rate. Eligible 1984 program participants received the a deficiency payment of $1 per bushel, totaling $1.045 billion.

THE U.S. SHARE OF WORLD WHEAT FLOUR MARKET INCREASED IN 1983 1/

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Abstract: The U.S. share of the world wheat flour market roughly doubled between 1982 and 1983. A special concessional sale to Egypt in 1983 played a leading role in this increase. Among the top six exporting countries in 1983, only the United States and Greece increased their market share. France, Italy, and residual suppliers, by contrast, lost large market shares.

Keywords: Market share, wheat flour, imports, exports, trade

Regional Highlights of U.S. Trade

The U.S. share of world wheat flour exports increased in 11 of 17 regional markets between 1982 and 1983, continuing a trend that began in 1981. 2/ Overall, the U.S. share increased from 10 percent to 29 percent in the 3 years beginning in 1981. This increase was accompanied by a rise in U.S. exports from 0.8 to 1.7 million metric tons. As a result, the United States became the world's leading flour exporter for the first time since 1978.

The increase in U.S. flour exports between 1982 and 1983 did not occur in all regional markets. As shown in table 1, the U.S. share declined in Eastern Europe (4 percentage points), Other Western Europe (3 points), Central America (17 points), West Africa (5 points), West Asia (7 points), and South Asia (13 points). 3/ These decreases were accompanied by declining U.S. exports to all regions except Central America and South Asia, where exports increased in spite of the declining U.S. share (table 2).

The decreases were more than offset by increases in other regions. The U.S. share increased in South America (30 points), North Africa (33 points), Southern Africa (6 points), and Southeast Asia (11 points). The U.S. share was more or less stable in the Caribbean, East Africa, East Asia, EC-10, and the Pacific Islands. The largest gain occurred in North Africa, where U.S. exports to Egypt increased from 437 to 1.36 million metric tons. This change alone caused the U.S. world share to exceed that of France, the leading flour exporter in the previous 4 years.

Change in the Share of Top U.S. Competitors

Total world flour imports were stable between 1982 and 1983 at 5.9 million metric tons. The largest declines occurred in Eastern Europe (USSR--654,000 tons) and in East Africa (101,000 tons). The largest increases took place in North Africa (Egypt--391,000 tons) and in West Asia (Iraq--162,000 tons). The United States benefited from an increasing share of the Egyptian market. The United States does not appear to have sold flour in the Iraqi market in either year.

Most U.S. competitors lost market shares in 1983. These declines include: France (5 points), Italy (4 points), and residual suppliers (5 points). France's most important losses occurred in North Africa (39 points), Other Western Europe (10 points), and East Africa (15 points). Italy lost share in the EC-10 (3 points), North Africa (8 points), and East Africa (4 points). Residual suppliers lost shares in North Africa (21 points), West Asia (26 points), and the Caribbean (11 points).

1/ The import data used to calculate tables 1, 2, and 3 were derived from United Nations and country trade yearbook statistics. In coming months, regional trade tables for the food and feed grains will be published in a series of IED statistical bulletins covering calendar years from 1962 through 1983.

2/ One region, Oceania, had no U.S. imports during this period.

3/ The term "percentage points" describes changes in markets share. When a market share declines from 50 to 40 percent, it has changed 10 percentage points (i.e. 10 points).

Canada and West Germany maintained relatively stable market shares in 1983. Among the top six exporters, only Greece experienced a significant increase, with gains primarily in West Asia (27 points) and East Africa (17 points).

Table 1--U.S share in regional wheat flour markets, 1978-83

Region:	1978	1979	1980	1981	1982	1983
			Percent			
North America	82	74	68	18	8	11
EC-10	1	1	1	1	1	1
Other Western Europe	18	16	23	13	10	7
Eastern Europe	0	0	0	0	12	8
USSR 1/	0	0	0	0	0	0
Central America	74	32	66	56	66	49
South America	25	50	38	68	43	73
Caribbean	12	8	8	10	11	12
Cuba 1/	0	0	2/	2/	2/	2/
North Africa	25	32	19	20	22	56
Algeria 1/	1	2	1	0	0	1
Egypt 1/	38	48	0	28	34	78
Libya 1/	2/	2/	44	2/	2/	0
South Africa	2	3	7	4	6	12
East Africa	37	25	41	15	26	28
West Africa	48	21	12	7	8	3
Nigeria 1/	74	2/	2/	2/	2/	2/
East Asia	0	2	0	3	0	1
West Asia	27	21	16	12	16	9
Iraq 1/	2/	2/	2/	2/	2/	0
Saudi Arabia 1/	51	38	34	2/	2/	2/
Syria 1/	2/	2/	2/	0	2/	2/
South Asia	33	20	6	75	36	23
Sri Lanka 1/	33	17	3	2/	2/	2/
Southeast Asia	5	3	3	2	1	12
Vietnam 1/	0	0	0	0	2/	2/
Pacific	4	4	5	7	5	7
World Share	21	16	12	10	15	29
			Million metric tons			
Total exports	1.3	1.0	0.7	0.8	0.9	1.7

Data are not official and do not necessarily agree with other data published by the U.S. Department of Agriculture or Bureau of the Census.

1/ These countries account for more than 5 percent of world imports. For example, the USSR imported more than 5 percent of total flour imports from 1979-1983, but none of this flour was of U.S. origin. 2/ Less than 5 percent of world imports.

Source: United Nations trade data supplemented by country trade statistics.

Table 2--U.S. exports to world wheat flour markets, 1978-83

Region:	1978	1979	1980	1981	1982	1983
	Thousand metric tons					
North America	4.6	4.0	4.6	1.6	1.1	0.9
EC-10	1.8	2.2	1.8	1.9	1.8	1.6
Other Western Europe	3.8	3.0	4.3	2.7	2.3	1.5
Eastern Europe	0	0	0	.2	119.9	34.2
USSR 1/	0	0	0	0	0	0
Central America	2.5	4.1	4.8	9.1	3.8	8.3
South America	24.7	52.5	20.2	36.4	27.4	60.0
Caribbean	58.3	46.3	35.3	44.4	35.7	39.3
Cuba 1/	0	0	2/	2/	2/	2/
North Africa	399.9	480.5	343.7	425.7	437.0	1,362.5
Algeria 1/	2.8	9.1	3.9	0	2.0	2.8
Egypt 1/	371.3	451.3	315.7	383.9	395.7	1,322.5
Libya 1/	2/	2/	0	2/	2/	2/
Southern Africa	3.7	9.8	76.0	10.8	11.3	23.0
East Africa	30.2	31.6	68.3	25.9	82.6	61.5
West Africa	274.2	61.8	35.1	28.6	27.8	11.6
Nigeria 1/	256.6	2/	2/	2/	2/	2/
East Asia	0.4	2.5	0.2	2.8	0.3	1.7
West Asia	216.1	192.3	159.4	135.8	123.9	89.0
Iraq 1/	2/	2/	2/	2/	2/	0
Saudi Arabia 1/	192.8	167.0	150.2	2/	2/	2/
Syria 1/	2/	2/	2/	0	2/	2/
South Asia	212.2	98.4	25.0	14.1	7.2	8.9
Sri Lanka 1/	207.1	2/	9.7	2/	2/	2/
Southeast Asia	36.6	28.8	18.0	16.1	3.0	33.0
Vietnam 1/	0	0	0	0	2/	2/
Pacific	2.5	2.5	2.8	3.1	2.0	3.1
Total exports	1,271.5	1,020.3	739.5	759.2	887.1	1,740.1

Data are not official and do not necessarily agree with other data published by the U.S. Department of Agriculture or Bureau of the Census.

1/ These countries account for more than 5 percent of world imports. For example, the USSR imported more than 5 percent of total world flour imports from 1979-1983, but none of this flour was of U.S. origin. 2/ Less than 5 percent of world imports.

Source: United Nations trade data supplemented by country trade statistics.

Table 3--Top U.S. competitors in regional wheat flour markets, 1982-83 4/

	France		W.Germany		Italy		Belgium	Greece	Residual 3/	
	1982	1983	1982	1983	1982	1983	1982	1983	1982	1983
	Percent of the import market									
North America	1	5	0	1	0	0	0	0	16	7
EC-10	22	21	22	23	13	10	27	1	16	44
O.W. Europe	11	1	1	2	1	1	15	0	53	70
Eastern Europe	5	8	14	9	17	28	22	0	14	7
USSR 1/	5	8	16	10	20	30	26	0	15	7
Central America	0	43	0	1	0	0	0	0	2	0
South America	3	7	8	3	0	0	1	0	42	14
Caribbean	5	6	10	13	0	0	0	0	41	30
North Africa	28	9	2	3	26	18	5	1	32	11
Algeria 1/	2	15	0	0	65	45	0	4	32	34
Egypt 1/	48	9	2	1	5	6	3	1	6	3
Libya 1/	2/	1	2/	17	2/	60	2/	0	2/	22
South Africa	51	57	3	0	2	0	0	0	38	31
East Africa	28	13	15	9	11	7	5	17	11	19
West Africa	59	69	9	10	3	0	12	0	7	15
East Asia	1	1	0	0	0	0	0	1	90	88
West Asia	11	9	11	10	10	7	2	41	48	22
Iraq 1/	2/	0	2/	0	2/	13	2/	71	21	16
South Asia	0	20	0	5	0	0	13	0	51	53
Southeast Asia	2	11	1	1	0	0	4	5	91	72
Pacific	18	24	0	0	0	0	0	0	78	69
World share	20	15	8	7	15	11	9	8	28	23
	Million metric tons									
Total exports	1.2	0.9	0.5	0.4	0.9	0.7	0.5	0.5	1.6	1.4

Data are not official and do not necessarily agree with other data published by U.S. Department of Agriculture or Bureau of the Census.

1/ These countries account for more than 5 percent of world imports in the years cited. For example, Iraq imported more than 5 percent of total world flour imports in 1983 but not in 1982.
2/ Less than 5 percent of world imports. 3/ The residual does not include Canada which held 6 percent of the market in 1982 and 7 percent in 1983. 4/ Greece did not rank among the top six exporters in 1982. Belgium was likewise not among the top six exporters in 1983.

Source: United Nations trade data supplemented by country trade statistics.

Table 1.--Wheat: Supply, disappearance, area, and prices, marketing years, 1979-86

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Item	1979/80	1980/81	1981/82	1982/83	1983/84	1984/85 (Prel.)	1985/86 (Proj.)
				Million acres			
Supply							
June 1 stocks,	924	902	989	1,159	1,515	1,399	1,424.0
Production	2,134	2,381	2,785	2,765	2,420	2,595	2,376.0 ±45
Imports 1/	2	3	3	8	4	9	5.0
Total supply	3,060	3,286	3,777	3,932	3,939	4,003	3,805.0 ±45
Disapperance							
Food	596	610	602	616	635	650	660.0 ±10
Seed	101	113	110	97	100	93	100.0 ±5
Feed and residual	86	60	135	195	376	412	350.0 ±100
Total domestic	783	783	847	908	1,111	1,155	1,110.0 ±75
Exports 1/	1,375	1,514	1,771	1,509	1,429	1,424	1,200.0 ±150
Total disappearance	2,158	2,297	2,618	2,417	2,540	2,579	2,310.0 ±160
May 31, stocks	902	989	1,159	1,515	1,399	1,424	1,495.0 ±175
				Million acres			
Area							
Planted	71.4	80.8	88.3	86.2	76.4	79.2	75.8
Harvested	62.5	71.1	80.6	77.9	61.4	66.9	64.6
Set aside and diverted	8.2	--	--	5.8	29.8	18.5	20.8
National base acreage	--	--	--	90.7	90.9	94.0	93.9
				Bushels per acre			
Yield/harvested acre	34.2	33.5	34.5	35.5	39.4	38.8	36.8
				Dollars per bushel			
Prices							
Received by farmers	3.78	3.91	3.65	3.55	3.53	3.38	3.05 - 3.25
Loan rate	2.50	3.00	3.20	3.55	3.65	3.30	3.30
Target	3.40	3.08	3.81	4.05	4.30	4.38	4.38
				Thousand dollars			
Value of production	8,078	9,309	10,167	9,816	10,476	9,077	

1/ Imports and exports include flour and other products expressed in wheat equivalent. 2/ Residual, approximates feed use and includes negligible quantities used for alcholic beverages.

Wheat: Production--by Major States (*records)

State	1979	1980	1981	1982	1983	1984	1985 1/
				Million bushels			
Colorado	70.2	110.3	87.9	85.0	122.1*	115.3	144.3
Kansas	410.4	420.0	302.5	458.5*	448.2	431.2	444.6
Minnesota	90.4	102.6	140.0*	126.8	79.0	120.7	119.1
Montana	116.5	119.8	172.8	180.3*	136.9	104.7	56.1
Nebraska	86.7	108.3*	104.4	101.5	98.9	81.0	94.3
N. Dakota	252.2	179.7	328.3*	324.8	194.1	284.2	274.2
Oklahoma	216.6	195.0	172.8	227.7*	150.5	198.8	165.0
S. Dakota	60.1	62.4	89.0	98.5	89.7	126.0*	105.8
Texas	138.0	130.0	183.4*	144.0	161.0	150.0	187.2
Washington	118.0	160.2	168.3	138.9	172.6*	160.3	128.5

1/ Preliminary.

Table 2.--Wheat: Marketing year supply and disappearance, quarterly, 1980-85

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Year and periods beginning June 1	Supply				Disappearance						Ending Stocks		
					Domestic use								
	Beginning stocks	Produc- tion	Imports 1/	Total	Food	Seed	Feed 2/	Total	Exports 1/	Total disap- pearance	Govt. owned	Privately owned 3/	Total
	Million bushels												
1980/81													
June-Sept.	902.0	2,380.9	0.8	3,283.7	197.2	38.0	56.6	291.8	518.4	810.2	201.1	2,272.4	2,473.5
Oct.-Dec.	2,473.5	---	0.6	2,474.1	167.1	43.0	-11.6	198.5	371.4	569.9	203.1	1,700.7	1,904.2
Jan.-Mar.	1,904.2	---	0.7	1,904.9	150.1	1.0	24.3	175.4	400.4	575.8	202.6	1,126.5	1,329.1
Apr.-May	1,329.1	---	0.4	1,329.5	96.1	31.0	-10.3	116.8	223.6	340.4	199.7	789.4	989.1
Mkt. year	902.0	2,380.9	2.5	3,285.4	610.5	113.0	59.0	782.5	1,513.8	2,296.3	199.7	789.4	989.1
1981/82													
June-Sept.	989.1	2,785.4	0.7	3,775.2	202.5	37.0	186.4	425.9	621.8	1,047.7	191.6	2,535.9	2,727.5
Oct.-Dec.	2,727.5	--	0.8	2,728.3	159.0	45.0	-75.2	128.8	427.4	556.2	190.6	1,981.5	2,172.1
Jan.-Mar.	2,172.1	---	0.8	2,172.9	151.7	1.0	27.6	180.3	441.0	621.3	189.1	1,362.1	1,551.2
Apr.-May	1,551.6	---	0.5	1,552.1	89.2	27.0	-4.0	112.2	280.5	392.7	190.3	969.1	1,159.4
Mkt. year	989.1	2,785.4	2.8	3,777.3	602.4	110.0	134.8	847.2	1,770.7	2,617.9	190.3	969.1	1,159.4
1982/83													
June-Sept.	1,159.4	2,765.0	1.2	3,925.6	206.4	37.0	167.1	410.5	545.6	956.1	190.6	2,778.9	2,969.5
Oct.-Dec.	2,969.5	---	3.0	2,972.5	161.8	40.0	-28.1	173.7	292.6	466.3	185.4	2,320.7	2,506.1
Jan.-Mar.	2,506.2	---	2.7	2,508.9	151.4	1.0	52.4	204.8	442.1	646.9	185.2	1,676.8	1,862.0
Apr.-May	1,862.0	---	0.7	1,862.7	96.8	19.0	3.5	119.3	228.3	347.6	192.0	1,323.1	1,515.1
Mkt. year	1,159.4	2,765.0	7.6	3,932.0	616.4	97.0	194.9	908.3	1,508.6	2,416.9	192.0	1,323.1	1,515.1
1983/84													
June-Sept.	1,515.1	2,419.8	1.2	3,936.1	210.1	37.0	258.5	505.6	475.3	980.9	157.5	2,797.7	2,955.2
Oct.-Dec.	2,955.2	---	0.9	2,956.1	160.7	41.0	65.4	267.1	362.6	629.7	165.6	2,160.8	2,326.4
Jan.-Mar.	2,326.4	---	1.1	2,327.5	163.0	1.0	41.0	205.0	364.4	569.4	167.1	1,591.0	1,758.1
Apr.-May	1,758.1	---	0.8	1,758.9	101.7	21.0	11.3	134.0	226.3	360.3	188.1	1,210.5	1,398.6
Mkt. year	1,515.1	2,419.8	4.0	3,938.9	635.5	100.0	376.2	1,111.7	1,428.6	2,540.3	188.1	1,210.5	1,398.6
1984/85													
June-Sept.	1,398.6	2,595.5	4.7	3,998.8	212.9	32.0	369.2	614.1	644.7	1,258.8	325.2	2,414.8	2,740.0
Oct.-Dec.	2,740.0	---	1.7	2,741.7	166.8	37.0	22.3	226.1	374.3	600.4	371.8	1,769.5	2,141.3
Jan.-Mar.	2,141.3	---	1.2	2,142.5	165.0	1.0	43.1	209.1	266.1	475.2	386.1	1,281.2	1,667.3
Apr.-May	1,667.3	---	1.8	1,669.1	105.5	23.0	-23.0	105.5	139.1	244.6	377.6	1,046.9	1,424.5
Mkt. year	1,398.6	2,595.5	9.4	4,003.5	650.2	93.0	411.6	1,154.8	1,424.2	2,579.0	377.6	1,046.9	1,424.5

1/ Imports and exports include flour and other products expressed in wheat equivalent. 2/ Residual; approximates feed use and includes negligible quantities used for distilled spirits. 3/ Includes outstanding and reserve loans. *Totals may not add due to rounding.

Table 3--Wheat classes: Marketing year supply and disappearance 1981-86 1/

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Year beginning June 1	Supply			Disappearance			Ending stocks May 31
	Beginning stocks	Pro-duction	Total 2/	Domestic use	Exports	Total	
				Million bushels			
1981/82							
Hard Winter	541	1,112	1,653	361	754	1,115	538
Hard Spring	257	464	722	171	205	376	346
Soft Red	38	678	716	196	460	656	60
White	93	348	441	62	270	332	109
Durum	60	183	245	57	82	139	106
All classes	989	2,785	3,777	847	1,771	2,618	1,159
1982/83							
Hard Winter	538	1,243	1,781	348	679	1,027	754
Hard Spring	346	492	842	195	239	434	408
Soft Red	60	590	650	251	325	576	74
White	109	294	403	53	207	260	143
Durum	106	146	256	61	59	120	136
All classes	1,159	2,765	3,932	908	1,509	2,417	1,515
1983/84							
Hard Winter	754	1,198	1,952	503	704	1,207	745
Hard Spring	408	323	732	197	221	418	314
Soft Red	74	504	578	282	222	504	74
White	143	322	465	78	220	298	167
Durum	136	73	212	51	62	113	99
All classes	1,515	2,420	3,939	1,111	1,429	2,540	1,399
1984/85							
Hard Winter	745	1,251	1,996	562	717	1,279	717
Hard Spring	314	409	725	172	183	355	370
Soft Red	74	532	606	289	253	542	64
White	167	300	469	86	210	296	173
Durum	99	103	207	46	61	107	100
All classes	1,399	2,595	4,003	1,155	1,424	2,579	1,424
1985/86 3/							
Hard Winter	717	1,243	1,960	570	620	1,190	770
Hard Spring	370	410	782	179	180	359	423
Soft Red	64	370	434	224	165	389	45
White	173	255	428	83	185	268	160
Durum	100	98	201	54	50	104	99
All classes	1,424	2,376	3,805	1,110	1,200	2,310	1,495

1/ Data, except production, are approximations. Imports and exports include flour and products in wheat equivalent. 2/ Total supply includes imports. 3/ Projected.

Table 4--Wheat: Price support loan status on specified dates, 1980-85 crops

Crop year	Total stocks	Total CCC inventory	Outstanding CCC loans	Farmer-owned reserve	Free stocks
			Million bushels		
1980/81					
Jun. 1	902.0	1/ 187.8	99.3	2/ 259.9	355.0
Oct. 1	2,473.5	1/ 201.1	121.9	2/ 214.4	1,936.1
Jan. 1	1,904.2	203.5	138.2	2/ 229.1	1,333.4
Apr. 1	1,329.1	202.6	96.8	2/ 353.2	676.5
1981/82					
Jun. 1	989.1	199.7	54.6	359.6	375.2
Oct. 1	2,727.5	191.6	191.8	431.1	1,913.0
Jan. 1 3/	2,172.1	190.6	201.3	475.4	1,304.8
Apr. 1	1,551.6	189.1	162.1	534.6	665.8
1982/83					
Jun. 1	1,159.4	190.3	112.0	560.4	296.7
Oct. 1	2,969.5	190.6	97.2	868.9	1,812.8
Jan. 1	2,506.2	185.4	102.7	1,018.0	1,200.3
Apr. 1	1,862.0	185.2	81.7	1,095.0	500.1
1983/84					
Jun. 1	1,515.1	192.0	65.2	1,060.6	197.3
Oct. 1	2,955.2	157.5	310.4	815.4	1,671.9
Jan. 1	2,326.4	165.6	404.2	702.6	1,054.0
Apr. 1	1,758.1	167.1	459.4	587.7	543.9
1984/85					
Jun. 1	1,398.6	188.0	379.1	611.2	220.3
Oct. 1	2,740.0	325.2	278.5	659.1	1,477.2
Jan. 1	2,141.3	371.8	229.8	680.5	859.2
Apr. 1	1,667.2	386.1	213.3	662.6	405.2
1985/86					
Jun. 1	1,424.5	378.0	176.0	654.0	216.5
Oct. 1					
Jan. 1					
Apr. 1					

1/ Fiscal inventory figures were adjusted to reflect purchases being made during this period. 2/ Reserve data as reported by telephone survey. 3/ FOR and loan data based on telephone survey.

Table 5--Wheat: Marketing year supply and disappearance, 1960-85*

!01

Year beginning June 1	Supply				Disappearance						Ending stocks May 31		
					Domestic Use								
	Beginning stocks	Production	Imports 1/	Total	Food	Seed	Feed 2/	Total	Exports 1/	Total disappearance	Govt. owned	Privately owned 3/	Total
							Million bushels						
1960/61	1,384.2	1,354.7	8.1	2,747.0	496.5	64.2	30.4	591.0	653.5	1,244.5	1,224.6	277.8	1,502.4
1961/62	1,502.4	1,232.4	5.9	2,740.7	504.1	56.4	44.0	604.4	715.7	1,320.1	1,074.4	346.2	1,420.6
1962/63	1,420.6	1,092.0	5.3	2,517.9	502.6	61.4	34.7	598.8	649.4	1,248.2	1,101.8	167.9	1,269.7
1963/64	1,269.7	1,146.8	4.0	2,420.6	488.0	65.0	28.5	581.5	845.6	1,427.1	799.8	193.7	993.5
1964/65	993.5	1,283.4	1.8	2,278.7	514.4	65.6	54.9	634.9	722.7	1,357.6	634.8	286.3	921.1
1965/66	921.1	1,315.6	0.9	2,237.6	517.9	61.5	146.0	725.4	851.8	1,577.1	299.2	361.3	660.5
1966/67	660.5	1,304.9	1.8	1,967.2	505.1	77.4	100.6	683.1	771.3	1,454.4	122.0	390.8	512.8
1967/68	512.8	1,507.6	0.9	2,021.3	517.9	71.3	36.6	625.8	765.3	1,391.1	100.1	530.1	630.2
1968/69	630.2	1,556.6	1.1	2,187.9	522.4	60.9	156.3	739.7	544.2	1,283.9	139.5	764.5	904.0
1969/70	904.0	1,442.7	2.8	2,349.5	520.1	55.6	188.2	763.9	603.0	1,366.9	277.2	705.4	982.6
1970/71	982.6	1,351.6	1.4	2,335.6	517.2	62.1	192.8	772.0	740.8	1,512.8	352.6	470.2	822.8
1971/72	822.8	1,618.6	1.1	2,442.5	523.7	63.2	262.4	849.3	609.8	1,459.1	355.1	628.3	983.4
1972/73	983.4	1,546.2	1.3	2,530.9	531.8	67.4	199.8	798.8	1,135.0	1,933.8	6.3	590.8	597.1
1973/74	597.1	1,710.8	2.6	2,310.5	544.3	84.1	125.1	753.5	1,217.0	1,970.5	0.6	339.5	340.1
1974/75	340.1	1,781.9	3.4	2,125.4	545.0	92.0	34.9	671.9	1,018.5	1,690.4	--	435.0	435.0
1975/76	435.0	2,126.9	2.4	2,564.3	588.6	99.0	38.2	725.8	1,172.9	1,898.7	--	665.6	665.6
1976/77	665.6	2,148.8	2.7	2,817.1	588.0	92.0	74.4	754.4	949.5	1,703.9	--	1,113.2	1,113.2
1977/78	1,113.2	2,045.5	1.9	2,160.7	586.5	80.0	192.5	859.0	1,123.9	1,982.9	48.3	1,129.5	1,177.8
1978/79	1,177.8	1,775.5	1.9	2,955.2	592.4	87.0	157.6	837.0	1,194.1	2,031.1	51.1	873.0	924.1
1979/80	924.1	2,134.1	2.1	3,060.3	596.1	101.0	86.0	783.1	1,375.2	2,158.3	187.8	714.2	902.0
1980/81	902.0	2,380.9	2.5	3,285.4	610.5	113.0	59.0	782.5	1,513.8	2,296.3	199.7	789.4	989.1
1981/82	989.1	2,785.4	2.8	3,777.3	602.4	110.0	134.8	847.2	1,770.7	2,617.9	190.3	696.1	1,159.4
1982/83	1,159.4	2,765.0	7.6	3,932.0	616.4	97.0	194.9	908.3	1,508.6	2,416.9	192.0	1,323.1	1,515.1
1983/84	1,515.1	2,419.8	4.0	3,938.9	635.5	100.0	376.2	1,111.7	1,428.6	2,540.3	188.1	1,210.5	1,398.6
1984/85	1,398.6	2,595.5	9.4	4,003.5	650.2	93.0	411.6	1,154.8	1,424.2	2,579.0	377.6	1,046.9	1,424.5
1985/86	4/1,424.5	2,376.0	5.0	3,805.5	660.0	100.0	350.0	1,110.0	1,200.0	2,310.0	450.0	1,045.0	1,495.0

1/ Imports and exports include flour and other products expressed in wheat equivalent. 2/ Residual; approximates feed use and includes negligible quantities used for distilled spirits. 3/ Includes outstanding and reserve loans. 4/ Projections.

* Totals may not add due to rounding.

Table 6--Exports: Wheat, flour, and wheat products, United States by months, 1980-86*

!30

Year	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Total
							1,000 bushels						
							Wheat (Grain only)						
1980/81	96,193	123,598	141,415	137,325	116,948	112,199	132,048	129,981	124,397	128,770	127,652	78,030	1,448,558
1981/82	124,521	138,168	145,428	194,148	156,993	127,495	137,757	124,163	138,719	138,719	159,078	148,181	1,711,147
1982/83	156,914	117,914	124,336	130,992	98,520	94,638	88,457	143,141	146,594	131,134	112,451	96,235	1,441,326
1983/84	113,506	116,701	87,823	119,263	114,810	102,880	128,887	118,357	111,096	118,713	97,132	112,813	1,341,981
1984/85	105,356	133,276	146,187	242,694	137,290	97,283	131,941	106,430	85,493	57,924	67,811	56,588	1,368,272
1985/86	84,264												84,264
							Flour (Grain equivalent) 1/						
1980/81	4,230	2,082	5,057	3,774	2,785	2,165	1,739	2,658	5,217	6,353	7,347	4,803	48,209
1981/82	5,794	2,779	3,438	2,496	668	411	902	1,767	8,068	5,775	6,955	5,983	45,036
1982/83	4,577	1,364	3,488	2,508	3,904	2,483	999	3,998	8,865	6,532	10,530	7,521	56,769
1983/84	9,611	8,198	7,849	8,801	8,473	3,504	1,245	2,301	3,337	7,438	7,311	8,149	76,217
1984/85	6,828	4,136	1,288	1,693	3,260	1,778	948	403	6,422	5,778	6,563	4,022	43,118
1985/86	3,640												3,640
							Wheat products (Grain equivalent) 2/						
1980/81	912	1,222	711	1,849	1,284	1,005	1,230	890	1,010	1,114	672	1,406	13,306
1981/82	1,827	1,150	1,009	1,037	1,171	1,406	572	1,211	1,875	351	2,246	692	14,547
1982/83	971	465	1,073	984	529	2,604	472	796	492	586	630	935	10,537
1983/84	633	1,075	1,300	578	502	904	1,346	600	1,789	780	363	503	10,373
1984/85	881	670	587	1,076	429	497	824	1,831	935	916	1,956	2,164	12,765
1985/86	1,984												1,984
							Total wheat, flour and products						
1980/81	101,335	126,902	147,183	142,949	121,017	115,369	135,017	133,529	130,624	136,238	135,671	84,239	1,510,073
1981/82	132,142	142,097	149,892	197,681	159,832	129,312	139,231	127,141	148,662	165,204	157,382	123,171	1,770,730
1982/83	162,462	119,743	128,897	134,485	102,952	99,726	89,928	147,935	155,950	138,252	123,611	104,691	1,508,632
1983/84	123,750	125,974	96,972	128,642	123,785	107,288	131,478	121,258	116,222	126,931	104,806	121,465	1,428,571
1984/85	113,065	138,082	148,062	245,463	140,979	99,558	133,713	108,664	92,851	64,618	76,330	62,774	1,424,155
1985/86	89,888												89,888

1/Includes meal and groats and durum. 2/Includes macaroni, rolled wheat and bulgar. *Totals may not add due to independent rounding.

Source: Bureau of the Census.

Table 7.-Wheat: Inspections for export by class and country of destination, June-May 1984/85

!33

Country	Hard Red Spring	Hard Red Winter	Soft Red Winter	White	Durum	Mixed	Total
				1,000 bushels			
Algeria	0	0	1,010	0	26,269	0	27,279
Bangladesh	0	0	4,261	36,155	0	0	40,416
Belgium	1,877	0	0	0	77	0	1,954
Bolivia	0	1,264	0	0	0	0	1,264
Brazil	0	113,211	2,460	0	0	0	115,671
Chile	919	13,088	4,586	5,012	2,388	0	25,993
China (Mainland)	0	3,847	95,275	0	0	0	99,122
China (Taiwan)	7,743	10,606	0	5,333	0	0	23,682
Colombia	0	21,022	1,846	0	0	0	22,868
Costa Rica	2,957	0	386	0	618	0	3,961
Cyprus	0	593	0	0	424	0	1,017
Dominican Republic	4,532	1,394	807	0	154	0	6,887
Ecuador	165	12,247	328	0	0	0	12,740
Egypt	0	0	16,542	45,765	0	0	62,307
El Salvador	3,663	19	1,328	756	295	0	6,061
Ethiopia	0	661	1,822	0	0	0	2,483
Finland	1,704	0	0	0	121	0	1,825
France	463	0	0	0	910	0	1,373
Guatemala	2,507	290	280	0	262	0	3,339
Haiti	2,113	2,278	0	0	0	0	4,391
Honduras	1,767	192	944	0	249	0	3,152
Hong Kong	2,490	309	0	1,400	0	0	4,199
India	0	765	1,301	281	0	0	2,347
Indonesia	6,769	8,378	0	6,562	0	0	21,709
Iraq	0	31,290	0	0	0	0	31,290
Israel	0	20,987	1,807	0	0	0	22,794
Italy	14,571	0	0	0	787	0	15,358
Jamaica	1,778	577	2,725	0	0	0	5,080
Japan	37,609	47,411	96	35,502	104	0	120,722
Jordan	965	6,502	0	0	0	0	7,467
Korea, Republic of	8,349	23,672	0	41,208	0	0	73,229
Lebanon	0	3,247	0	0	0	0	3,247
Libya	0	0	0	0	1,286	0	1,286
Malaysia	1,232	0	0	1,557	0	0	2,809
Malta	485	401	0	0	0	0	886
Mexico	0	0	159	0	0	613	772
Morocco	0	299	59,475	1,567	0	0	61,341
Netherlands	14,412	0	290	0	4,903	0	19,605
Nigeria	4,607	46,176	4,033	0	0	3,729	58,545
Pakistan	0	0	0	10,595	0	0	10,595
Panama	1,592	0	1,719	73	327	0	3,711
Peru	0	19,201	11	0	0	0	19,212
Philippines	20,146	0	0	5,940	0	0	26,086
Poland	0	0	0	0	2,856	0	2,856
Portugal	0	10,542	8,987	0	356	0	19,894
Rep. S. Africa	0	877	0	0	231	0	1,108
Singapore	1,080	0	0	121	0	0	1,201
Sri Lanka	0	3,043	2,058	3,344	0	0	8,445
Sudan	0	9,376	0	0	0	0	9,376
Syria	0	3,715	0	965	0	0	4,680
Thailand	2,275	658	0	662	0	0	3,595
Trinidad	2,183	193	1,673	0	0	0	4,049
Tunisia	0	0	12,413	0	11,532	0	23,945
Turkey	0	5,612	15,433	0	0	0	21,054
United Kingdom	1,214	0	0	0	0	0	1,214
Urugudy	0	1,231	0	0	0	0	1,231
USSR	0	231,402	0	0	0	0	231,402
Venezuela	20,510	503	1,635	0	6,170	0	28,818
Yemen	0	0	0	3,874	0	0	3,874
Zaire	484	3,193	0	0	0	0	3,677
Other	4,553	4,031	1,667	522	231	468	11,443
United States	177,714	664,312	247,357	207,194	60,550	4,810	1,361,937

Source: Grain Market News, Agricultural Marketing Service.

Table 8.--Wheat and flour: Price relationships at milling centers, annual and by periods, 1980-85

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Year and period	At Kansas City					At Minneapolis				
	Cost of wheat to produce 100 lb. of flour 1/	Wholesale price of				Cost of wheat to produce 100 lb. of flour 1/	Wholesale price of			
		Bakery flour per 100 lb. 2/	Byproducts obtained 100 lb. flour 3/	Total products			Bakery flour per 100 lb. 2/	Byproducts obtained 100 lb. flour 3/	Total products	
				Actual	Over cost of wheat				Actual	Over cost of wheat
	Dollars									
1980/81										
June-Sept.	9.81	10.11	1.81	11.92	2.11	10.46	10.83	1.63	12.46	2.00
Oct.-Dec.	10.80	10.54	2.38	12.92	2.12	11.29	11.04	2.05	13.09	1.80
Jan.-Mar.	10.31	10.44	1.95	12.39	2.08	10.98	11.05	1.67	12.72	1.74
Apr.-May	10.27	10.42	1.81	12.23	1.96	11.08	11.09	1.76	12.85	1.77
Mkt. year	10.30	10.38	1.99	12.37	2.07	10.95	11.00	1.78	12.78	1.83
1981/82										
June-Sept.	9.69	10.33	1.55	11.88	2.19	10.08	10.82	1.49	12.31	2.23
Oct.-Dec.	9.93	10.13	1.79	11.92	1.99	9.84	10.52	1.43	11.95	2.11
Jan.-Mar.	9.85	10.66	1.41	12.07	2.22	9.63	10.82	1.23	12.05	2.42
Apr.-May	9.76	10.38	1.52	11.90	2.14	9.64	10.54	1.48	12.02	2.38
Mkt. year	9.81	10.37	1.57	11.94	2.13	9.80	10.67	1.41	12.08	2.28
1982/83										
June-Sept.	9.24	10.14	1.39	11.53	2.29	9.31	10.43	1.25	11.68	2.37
Oct.-Dec.	9.22	10.06	1.58	11.64	2.42	9.22	10.43	1.29	11.72	2.50
Jan.-Mar.	9.60	10.40	1.47	11.87	2.27	9.15	10.41	1.10	11.51	2.36
Apr.-May	9.77	10.26	1.65	11.91	2.14	10.11	10.88	1.40	12.28	2.17
Mkt. year	9.46	10.22	1.52	11.74	2.28	9.45	10.54	1.26	11.80	2.35
1983/84										
June-Sept.	9.54	10.36	1.72	12.08	2.54	9.97	11.17	1.47	12.64	2.67
Oct.-Dec.	9.48	10.00	2.16	12.16	2.68	9.76	10.79	1.90	12.69	2.93
Jan.-Mar.	9.22	9.52	1.83	11.35	2.13	9.56	10.28	1.49	11.77	2.21
Apr.-May	9.57	10.06	1.62	11.17	2.11	10.08	10.74	1.49	12.23	2.15
Mkt. year	9.45	9.99	1.83	11.69	2.37	9.84	10.75	1.59	12.33	2.49
1984/85 4/										
June-Sept.	9.21	9.78	1.47	11.26	2.05	9.64	10.31	1.21	11.52	1.89
Oct.-Dec.	9.05	9.82	1.47	11.29	2.24	9.16	10.52	1.11	11.63	2.46
Jan.-Mar.	8.77	9.89	1.16	11.05	2.28	9.09	11.27	.83	12.10	3.01
Apr.-May	8.62	9.58	1.16	10.73	2.11	9.34	11.22	.88	12.10	2.76
Mkt. year	8.91	9.77	1.32	11.08	2.17	9.31	10.83	1.01	11.84	2.53

1/ Based on 73-percent extraction rate, cost of 2.28 bushels: At Kansas City, No. 1 Hard Winter, 13-percent protein; and at Minneapolis, simple average of No. 1 Dark Northern Spring, 13-and 15-percent protein. 2/ Quoted as 95-percent patent at Kansas City and standard patent at Minneapolis, bulk basis. 3/ Assumed 50-50 millfeed distribution between bran and shorts or middlings, bulk basis. 4/ Preliminary.

Source: Compiled from reports of Agricultural Marketing Service and Department of Labor.

Table 9--Wheat: Farm price for leading classes and major feed grains in region, 1981-86 1/

!45

Commodity and year	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Average	Loan rate
							All prices for 60 pounds							
							Central and So. Plains (Hard Winter) 2/							
Wheat:														
1981/82	3.77	3.72	3.68	3.69	3.76	3.87	3.82	3.78	3.74	3.71	3.72	3.66	3.74	3.13
1982/83	3.49	3.37	3.34	3.38	3.36	3.43	3.49	3.51	3.51	3.60	3.71	3.68	3.50	3.47
1983/84	3.49	3.34	3.54	3.59	3.56	3.49	3.45	3.48	3.41	3.48	3.62	3.63	3.51	3.56
1984/85	3.46	3.30	3.41	3.45	3.43	3.41	3.35	3.34	3.34	3.34	3.39	3.24	3.37	3.23
1985/86	3.06													3.23
Sorghum:														
1981/82	3.03	2.96	2.65	2.37	2.34	2.36	2.39	2.44	2.42	2.43	2.47	2.61	2.54	2.42
1982/83	2.60	2.57	2.49	2.44	2.26	2.34	2.41	2.48	2.68	2.84	2.96	3.02	2.59	2.57
1983/84	3.10	3.04	3.14	3.14	3.02	3.02	2.97	2.96	2.85	2.92	3.02	3.09	3.02	2.68
1984/85	3.03	2.93	2.81	2.57	2.49	2.49	2.49	2.51	2.60	2.57	2.73	2.69	2.66	3.32
1985/86	2.80													3.32
							Cornbelt (Soft Red Winter) 3/							
Wheat:														
1981/82	3.35	3.46	3.36	3.45	3.56	3.68	3.70	3.71	3.40	3.36	3.42	3.23	3.47	3.20
1982/83	3.18	3.08	2.98	2.89	2.75	3.02	3.13	3.18	3.20	3.30	3.29	3.30	3.11	3.56
1983/84	3.25	3.25	3.54	3.49	3.36	3.33	3.43	3.46	3.22	3.38	3.54	3.44	3.39	3.66
1984/85	3.26	3.22	3.28	3.29	3.29	3.40	3.42	3.44	3.39	3.42	3.44	3.19	3.34	3.32
1985/86	3.01													3.32
Corn:														
1981/82	3.47	3.44	3.11	2.76	2.64	2.52	2.54	2.74	2.63	2.66	2.77	2.86	2.85	2.62
1982/83	2.82	2.76	2.57	2.30	2.09	2.29	2.48	2.57	2.77	2.96	3.25	3.34	2.68	2.78
1983/84	3.39	3.43	3.81	3.68	3.46	3.54	3.52	3.48	3.45	3.56	3.74	3.75	3.57	2.87
1984/85	3.80	3.66	3.50	3.17	2.83	2.76	2.76	2.84	2.85	2.91	2.95	2.91	3.08	2.76
1985/86	2.89													2.76
							Northern Plains (Spring and Durum) 4/							
Other spring														
1981/82	4.12	3.93	3.70	3.62	3.66	3.74	3.63	3.69	3.67	3.61	3.73	3.69	3.73	3.21
1982/83	3.62	3.59	3.46	3.45	3.44	3.51	3.47	3.45	3.41	3.59	3.79	3.84	3.56	3.57
1983/84	3.81	3.80	3.78	3.69	3.68	3.66	3.59	3.62	3.59	3.68	3.78	3.87	3.71	3.68
1984/85	3.86	3.69	3.48	3.48	3.47	3.46	3.41	3.45	3.46	3.49	3.57	3.56	3.54	3.34
1985/86	3.50													3.34
Durum:														
1981/82	4.52	3.91	3.52	3.41	3.51	3.55	3.47	3.60	3.67	3.52	3.54	3.52	3.64	3.21
1982/83	3.50	3.36	3.10	3.09	3.19	3.25	3.16	3.40	3.22	3.47	3.82	3.99	3.38	3.57
1983/84	4.01	3.96	4.11	4.07	4.04	3.97	3.83	3.84	3.67	3.88	3.91	3.57	3.91	3.68
1984/85	3.98	3.73	3.84	3.78	3.75	3.77	3.69	3.62	3.61	3.55	3.60	3.56	3.71	3.34
1985/86	3.53													3.34
							Pacific Northwest (White) 5/							
Wheat:														
1981/82	3.97	3.69	3.78	3.80	3.94	3.96	3.98	3.91	3.75	3.68	3.72	3.71	3.82	3.29
1982/83	3.71	3.62	3.74	3.76	3.86	3.91	3.98	4.07	4.15	4.18	4.13	4.04	3.93	3.65
1983/84	3.78	3.61	3.68	3.70	3.62	3.59	3.51	3.49	3.31	3.48	3.57	3.64	3.58	3.75
1984/85	3.71	3.26	3.31	3.30	3.38	3.38	3.35	3.44	3.45	3.53	3.57	3.54	3.44	3.43
1985/86	3.35													3.43
Barley:														
1981/82	3.72	3.39	3.19	3.10	3.08	3.34	3.20	3.24	3.21	3.39	3.41	3.45	3.31	2.55
1982/83	3.25	3.02	3.11	2.73	2.58	2.70	2.94	2.83	2.88	2.82	3.01	3.10	2.91	2.71
1983/84	3.06	2.97	3.20	3.34	3.35	3.40	3.47	3.45	3.36	3.39	3.58	3.41	3.33	2.81
1984/85	3.53	3.15	3.01	2.96	2.91	2.98	3.02	2.98	2.97	3.00	2.97	2.87	3.03	2.74
1985/86	2.68													2.74
							U.S. average							
Wheat:														
1981/82	3.70	3.62	3.62	3.65	3.77	3.85	3.80	3.78	3.70	3.67	3.68	3.64	6/3.65	3.20
1982/83	3.39	3.26	3.34	3.38	3.43	3.48	3.51	3.57	3.57	3.66	3.75	3.75	6/3.55	3.55
1983/84	3.50	3.34	3.61	3.65	3.61	3.54	3.48	3.50	3.40	3.49	3.63	3.66	6/3.53	3.65
1984/85	3.46	3.28	3.43	3.43	3.43	3.45	3.38	3.38	3.38	3.38	3.34	3.29	67 3.38	3.30
1985/86	3.09													3.30

1/ To adjust price to relative feed value multiply: corn 1.00; wheat 1.05; barley .90; sorghum .95; reported in Consumption of Feed by Livestock, Report No. 79, ERS, USDA. 2/ Kansas, Nebraska, Texas, Oklahoma, and Colorado. 3/ Ohio, Indiana, Illinois, and Missouri. 4/ North Dakota, South Dakota, and Minnesota. 5/ Washington, Oregon, and Idaho. 6/ Season average price includes allowance for unredeemed loans and purchases.

Table 10 -Wheat: Cash prices for leading classes at major markets, 1980-85

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Year	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Simple average
							Dollars per bushel						
KANSAS CITY, NO. I HARD RED WINTER (ORDINARY PROTEIN)													
1980/81	4.07	4.21	4.31	4.45	4.70	4.89	4.54	4.60	4.47	4.35	4.48	4.36	4.45
1981/82	4.24	4.25	4.14	4.19	4.31	4.46	4.35	4.33	4.26	4.25	4.28	4.22	4.27
1982/83	4.06	3.74	3.70	3.75	3.61	3.86	3.98	4.00	4.08	4.18	4.21	4.05	3.94
1983/84	3.92	3.71	3.88	3.90	3.84	3.82	3.85	3.81	3.71	3.85	3.93	3.89	3.84
1984/85	3.80	3.67	3.80	3.89	3.86	3.85	3.76	3.76	3.74	3.67	3.62	3.42	3.74
13% PROTEIN													
1980/81	4.12	4.25	4.34	4.49	4.70	4.91	4.60	4.67	4.50	4.40	4.57	4.44	4.50
1981/82	4.36	4.26	4.16	4.22	4.29	4.44	4.33	4.35	4.32	4.29	4.32	4.24	4.30
1982/83	4.15	4.12	4.00	3.94	3.80	4.09	4.24	4.19	4.17	4.27	4.35	4.22	4.13
1983/84	4.22	4.15	4.16	4.21	4.20	4.17	4.11	4.06	3.95	4.12	4.22	4.17	4.14
1984/85	4.15	3.99	3.98	4.03	4.01	3.99	3.91	3.87	3.87	3.80	3.84	3.72	3.93
CHICAGO, NO. 2 SOFT RED WINTER													
1980/81	3.96	4.17	4.21	4.38	4.70	4.92	4.54	4.57	4.34	4.15	4.18	3.80	4.33
1981/82	3.60	3.70	3.70	3.87	3.97	4.08	3.86	3.77	3.57	3.59	3.70	3.43	3.74
1982/83	3.31	3.36	3.35	3.18	2.98	3.33	3.23	3.32	3.40	3.36	3.51	3.55	3.32
1983/84	3.53	3.59	3.71	3.62	3.56	3.42	3.55	3.47	3.34	3.57	3.65	3.65	3.56
1984/85	3.51	3.44	3.49	3.47	3.51	3.62	3.49	3.51	3.55	3.58	3.63	3.34	3.51
ST. LOUIS, NO. 2 SOFT RED WINTER													
1980/81	3.73	4.10	4.19	4.42	4.78	4.96	4.78	4.80	4.57	4.32	4.36	3.67	4.39
1981/82	3.41	3.54	3.56	3.67	3.74	4.05	3.90	3.76	3.60	3.61	3.72	3.31	3.66
1982/83	3.25	3.27	3.14	3.06	3.06	3.38	3.28	3.33	3.41	3.43	3.58	3.61	3.32
1983/84	3.46	3.51	3.79	3.70	3.62	3.58	3.67	3.62	3.46	3.71	3.82	3.51	3.62
1984/85	3.45	3.44	3.50	3.52	3.60	3.72	3.67	3.69	3.65	3.67	3.65	3.24	3.57
TOLEDO, NO. 2 SOFT RED WINTER													
1980/81	3.84	4.14	4.16	4.38	4.82	5.02	4.65	4.70	4.47	4.16	4.16	3.76	4.36
1981/82	3.55	3.63	3.71	3.83	3.98	4.08	3.85	3.71	3.47	3.46	3.63	3.45	3.70
1982/83	3.35	3.36	3.28	3.09	2.84	3.19	3.23	3.28	3.32	3.29	3.45	3.47	3.26
1983/84	3.42	3.48	3.69	3.54	3.43	3.37	3.46	3.43	3.26	3.50	3.61	3.60	3.48
1984/85	3.50	3.44	3.44	3.44	3.43	3.53	3.43	3.52	3.56	3.54	3.58	3.30	3.48
TOLEDO, NO. 2 SOFT WHITE													
1980/81	3.71	4.05	4.15	4.31	-	---	4.44	4.40	4.21	3.98	3.99	3.62	4.08
1981/82	3.43	3.62	3.77	3.91	3.99	4.10	3.82	3.68	3.49	3.47	3.61	3.45	3.70
1982/83	3.35	3.49	3.42	3.22	2.92	3.22	3.29	3.25	3.39	3.43	3.49	3.48	3.33
1983/84	3.42	3.51	3.71	3.56	3.42	3.36	3.46	3.43	3.25	3.50	3.62	3.49	3.48
1984/85	3.35	3.37	3.42	3.42	3.41	3.51	3.41	3.50	3.53	3.48	3.48	3.18	3.42
PORTLAND, NO. I SOFT WHITE													
1980/81	3.92	4.15	4.06	4.23	4.48	4.68	4.40	4.52	4.52	4.41	4.51	4.41	4.36
1981/82	4.26	4.27	4.25	4.21	4.38	4.42	4.00	4.12	4.09	4.02	4.14	4.24	4.20
1982/83	4.18	4.13	4.16	4.29	4.29	4.44	4.45	4.52	4.59	4.68	4.62	4.35	4.39
1983/84	4.15	4.08	4.06	4.12	4.03	3.90	3.81	3.79	3.69	3.73	4.03	4.05	3.95
1984/85	4.03	3.73	3.74	3.70	3.73	3.78	3.76	3.77	3.83	3.93	3.94	3.91	3.82
MIMMEAPOLIS, NO. I DARK NO. SPRING (ORDINARY PROTEIN)													
1980/81	4.19	4.54	4.22	4.17	4.62	4.78	4.62	4.65	4.53	4.32	4.41	4.44	4.46
1981/82	4.29	4.18	4.03	4.07	4.22	4.29	4.15	4.21	4.17	4.10	4.21	4.16	4.17
1982/83	4.08	4.08	3.78	3.79	3.78	3.85	3.76	3.80	3.82	4.01	4.34	4.25	3.94
1983/84	4.15	4.07	4.21	4.30	4.33	4.23	4.20	4.15	4.06	4.20	4.28	4.39	4.21
1984/85	4.40	4.21	3.72	3.57	3.64	3.64	3.48	3.47	3.52	3.55	3.64	3.55	3.70
14% PROTEIN													
1980/81	4.33	4.69	4.55	4.56	4.82	4.95	4.77	4.81	4.78	4.67	4.80	4.77	4.71
1981/82	4.56	4.50	4.25	4.23	4.29	4.38	4.22	4.28	4.21	4.16	4.25	4.20	4.29
1982/83	4.13	4.16	3.96	4.02	4.00	4.08	3.96	3.93	3.92	4.08	4.40	4.40	4.09
1983/84	4.39	4.38	4.34	4.33	4.33	4.25	4.21	4.17	4.08	4.24	4.37	4.45	4.30
1984/85	4.45	4.34	4.07	3.97	4.03	4.02	3.92	3.90	3.92	3.94	4.36	4.02	4.06
HARD AMBER DURUM, (MILLING)													
1980/81	5.79	7.12	7.19	7.26	7.34	7.22	6.90	7.07	7.02	6.66	6.10	6.04	6.81
1981/82	4.86	4.91	4.75	4.56	4.60	4.58	4.51	4.59	4.57	4.45	4.45	4.49	4.61
1982/83	4.38	4.26	4.07	4.02	4.11	4.17	4.07	4.06	4.12	4.28	4.54	4.90	4.25
1983/84	4.76	4.74	5.04	5.10	4.99	4.91	4.82	4.81	4.69	4.70	4.74	4.71	4.83
1984/85	4.68	4.57	4.65	4.43	4.47	4.46	4.43	4.34	3.37	4.33	4.36	4.32	4.44

Source: Grain Market News, Agricultural Marketing Service.

Table 11--Wheat: Domestic and foreign prices, 1977-85

Year and month	United States				Foreign		
	Farm 1/	Kansas City 2/	Gulf ports 3/	Rotterdam 4/	Argentina 5/	Canada 6/	Australia 7/
	Dollars per metric ton						
Calendar year							
1977	83	94	105	126	100	116	113
1978	105	116	131	147	126	134	119
1979	130	147	162	186	159	171	142
1980	140	159	176	213	203	192	176
1981	141	160	176	210	190	194	175
1982	130	147	161	195	166	165	160
1982							
January	139	159	175	201	177	181	161
February	136	157	173	199	180	172	167
March	139	156	170	198	179	160	165
April	135	158	171	206	179	162	158
May	133	154	168	204	176	168	158
June	125	149	152	176	164	157	158
July	120	138	152	172	160	163	154
August	123	136	154	172	163	160	154
September	124	138	155	174	161	160	159
October	126	133	149	173	151	159	158
November	128	142	157	178	149	163	162
December	129	146	161	185	148	170	167
1983							
January	131	147	166	186	148	167	167
February	131	150	165	188	143	167	166
March	134	154	167	175	141	170	169
April	138	155	168	189	134	169	171
May	138	149	163	184	125	172	165
June	129	144	151	182	128	166	163
July	123	136	148	181	138	166	157
August	133	143	154	185	142	172	159
September	134	143	157	186	152	172	159
October	133	141	154	186	139	170	155
November	130	140	153	187	133	167	152
December	128	141	153	191	128	170	152
1984							
January	129	140	153	193	129	177	153
February	125	136	151	183	125	174	148
March	128	141	155	180	127	176	151
April	133	145	158	186	138	168	154
May	134	143	154	185	NA	169	153
June	127	140	151	182	144	169	154
July	121	135	149	176	141	162	147
August	126	140	154	174	145	158	152
September	126	143	157	172	143	158	158
October	126	142	154	176	141	159	156
November	127	141	153	176	132	157	156
December	123	138	150	181	116	159	155
1985							
January	124	138	149	184	109	164	153
February	124	137	149	183	111	164	150
March	124	135	146	166	114	164	149
April	126	133	146	172	113	174	148
May	121	126	137	169	112	172	145
June	114	124	134	165	107	173	141
July							
August							
September							
October							
November							
December							

NA = Not available.

1/ Winter wheat. 2/ No. 1, Hard Winter, ordinary protein. 3/ No. 2, Hard winter, ordinary protein, FOB vessel. 4/ U.S., No. 2 Hard Winter, 13.5 percent, CIF. Dark Northern Spring, 14 percent, CIF. 5/ FOB Buenos Aires. 6/ No. 1, CWRS, 13.5 percent, in-store, Thunder Bay. 7/ ASW, FOB.

Table 12--Wheat and wheat flour: World trade, production, stocks, and utilization, July-June 1981-86

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Country or region	1981/82	1982/83	1983/84	1984/85	1985/86 as of Aug. 13
	Million metric tons				
Exports					
Canada	17.6	21.4	21.8	18.9	17.5
Australia	11.0	8.1	11.6	15.1	15.2
Argentina	4.3	7.5	9.6	8.0	6.7
EC-10	15.5	15.6	15.4	17.5	17.0
USSR	0.5	0.5	0.5	1.0	1.0
All others	3.6	5.6	5.2	6.9	6.5
Total non-U.S.	52.5	58.7	64.0	67.5	64.9
USA 1/	48.8	39.9	38.9	38.1	32.7
World total	101.3	98.6	102.9	105.6	96.5
Imports					
EC-10	4.7	3.9	3.6	2.2	2.7
USSR	19.5	20.2	20.5	27.5	20.0
Japan	5.6	5.8	5.9	5.6	5.8
E. Europe	6.2	4.5	3.8	2.7	3.1
China	13.2	13.0	9.6	7.5	7.0
All others	52.1	51.2	59.6	60.1	57.9
World total	101.3	98.6	102.9	105.6	96.5
Production 2/					
Canada	24.8	26.7	26.6	21.2	23.5
Australia	16.4	8.9	21.8	18.7	17.0
Argentina	8.3	15.0	12.3	13.2	11.5
EC-10	54.4	59.8	59.1	76.4	70.1
USSR 3/	80.0	86.0	79.0	73.0	83.0
E. Europe	30.6	34.7	35.4	41.5	39.0
China	59.6	68.4	81.4	87.8	87.0
India	36.3	37.5	42.8	45.1	45.0
All other foreign	62.2	66.8	66.1	66.2	69.1
USA	75.8	75.3	65.9	70.6	64.7
World total	448.5	479.1	490.3	513.9	514.5
Utilization 3/					
USA	23.1	24.7	30.2	31.4	30.2
USSR 4/	102.0	105.7	99.0	98.5	100.0
China	72.8	81.4	91.0	95.3	94.0
All other foreign	243.6	256.0	268.2	277.7	278.7
World total	441.4	467.9	488.4	502.9	502.9
Stocks, ending 5/	85.1	96.4	98.3	109.3	116.3

1/ Includes transshipments through Canadian ports; excludes products other than flour. 2/ Production data include all harvests occurring within the July-June year shown, except that small grain crops from the early harvesting Northern Hemisphere areas are moved forward; i.e., the May 1980 harvests in areas such as India, North Africa, and Southern United States are actually included in 1980/81 accounting period, which begins July 1, 1980. 3/ Utilization data are based on an aggregate of differing local marketing years. For countries for which stock data are not available (excluding the USSR), utilization estimates represent apparent utilization, i.e., they are inclusive of annual stock level adjustments. 4/ "Bunker weight" basis: not discounted for excess moisture and foreign material. 5/ Stocks data are based on an aggregate of differing local marketing years and should not be construed as representing world stock levels at a fixed point in time. Stocks data are not available for all countries and exclude those such as China and part of Eastern Europe; the world stock levels have been adjusted for estimated year-to-year changes in USSR grain stocks, but do not purport to include the entire absolute level of USSR stocks.

Source: World Grain Situation and Outlook, USDA, Foreign Agricultural Service.

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